

THE NEWS OF EUROPE.

RATHER THAN DISTURBING.

THE NEED OF ARBITRATION IN THE VENEZUELAN DIFFICULTY ENFORCED BY IT—SPAIN'S DESPERATE STRAITS OVER HER CUBAN WAR—THE SALISBURY GOVERNMENT'S SLOW PROGRESS—ENG-

**LISH CRITICS CHANGE THEIR
MINDS ABOUT YALE.**
[BY TELEGRAPH TO THE TRIBUNE.]

London, June 27.—The general effect of the new Cuyuni affair is pacific rather than disturbing because it demonstrates the urgent necessity for a settlement of the boundary dispute by arbitration. The details of the arrest of Harrison are not known here with precision, but the collision of the Guiana road makers and the Venezuela police is discussed by the press with caution and moderation, and further delay in conducting negotiations with the United States

is deprecated. The aggressive action of the Venezuela police serves to emphasize the dangerous tendencies of torpid diplomacy. The fact that irresponsible police officials can provoke a petty conflict on a disputed border which may bring two branches of the Anglo-Saxon family within measurable distance of a fratricidal war is regarded as the strongest possible argumentation for a speedy adjustment of the entire controversy. Whoever is at fault in the Cuyuni district, the incident imparts a new impulse to the movement for a permanent arbitration tribunal.

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Reports received from Washington of the favorable state of the negotiations on this subject are considered here to be premature and unduly sanguine; but the two Governments are confidently believed to be approaching some practical solution. Perhaps the strongest ground for faith in the ultimate success of arbitration is the record of the continuous failure of the Salisbury Government in the conduct of foreign affairs. Since they have been unsuccessful everywhere else, that Government will naturally be anxious to retrieve their blunders by a great stroke at Washington. The organization of a permanent

arbitration tribunal would be a diplomatic triumph of the first order which would blot America out of remembrance. It would be received with intense satisfaction by the English people. The opinion is gaining ground among well-informed diplomatists that this result will be brought about before Mr. Cleveland leaves office, and that the Cuyuni affair is hastening rather than retarding it.

The good offices of the American Government in securing the prompt release of Harrison are frankly acknowledged by the London Journal to-day, and Lord Salisbury is praised for his good sense and tact in refraining from making a direct peremptory demand upon Venezuela.

American securities have been stiffened since

McKinley's nomination on a sound-money platform, but there has been no marked reaction from the stagnation and depression of the last six months. European holders of American bonds are less anxious to sell than they were before, but investors are not more eager to buy. The result has disappointed houses dealing in American stocks, but it can easily be explained. While the Republican platform is satisfactory from the investor's point of view, the increasing strength of the silverites in the Democratic Con-

vention excites apprehension. The details of American politics are not understood here, and the attitude of the Democratic party on the currency question causes uncertainty and uneasiness.

ness. A prominent banker, interested in American securities, remarks: "What I hope for is the adoption of a silver platform by the Democratic Convention. It will force the currency issue upon the country, and lead to a settlement which will restore the National credit. That will be better result than the adoption of a compromise metallum plank at Chicago, which can only serve to cloud this great issue of fulfilling existing contracts and paying bonds and greenbacks in gold. A straight fight between gold and silver, with the victory for honest currency, will set us right before the world. The settlement of the Venezuela question and the creation of a permanent arbitration tribunal would also have permanent favorable effect upon American securities."

European investors, while the fight was going on, would naturally be alarmed by the adoption of a radical silver platform, and they would not be reassured by any transparent compromise or shuffling phrases and evasions. The Democracy, now, as often before, is plotting against the public credit and impairing the National financial prestige abroad.

The Spanish Budget reveals the desperate straits to which the bankrupt treasury is reduced. The tobacco monopoly is renewed for twenty-four years. The Rothschilds are making a new loan

Upon the security of an exhausted Almaden quicksilver mines, and shipowners have offered to submit to an extortionate navigation tax for six years. Maturing loans will be met by fresh borrowing at extortionate rates, and the Finance Minister considers the prospects of the bankrupt Government hopeful. Experts like "The Economist" are not deceived by these devices of an embarrassed Government. They perceive that no provision is made in the Budget for the cost of the Cuban war and that within three months the resources derived from pledging the 5 per cent Cuban bonds will be exhausted. Their war expenses have been met so far from this source, and when the bonds are all issued and pledged the Treasury will be in a desperate condition if the war be prolonged.

The Salisbury Government have lightened ship by throwing overboard a large part of the cargo, but are still sailing under bare poles and making little progress. The Rating bill will probably be passed under closure next week. Fourteen days have already been occupied with the discussion of this short and simple measure. The custom has been to reserve the report stage for the correction of errors in drafting and for amendments already agreed upon; but this measure, after

The Liberals are in a triumphant mood after their success in blocking the Education bill, and are not disposed to help their opponents in any respect. Sir William Harcourt's leadership is most brilliant and effective; Mr. Chamberlain, the only man capable of meeting him in debate, is

preoccupied and silent. Mr. Balfour's prestige has been greatly impaired by his mismanagement of the business of the session. He has not led the House well, but deserves less censure than he receives. The Education bill was forced upon the Ministry by Lord Salisbury and the clerical party, and Mr. Balfour himself took little interest in it, merely carrying out his uncle's orders and vainly endeavoring in the end to convince the Prime Minister that the majority were indifferent and divided, and that it could not be passed either in the autumn session or in January.

The Canadian election was a godsend for the Cobden Club, which celebrated to-night the first